Mr. David Childs
Office of Federal Procurement Policy
Office of Management and Budget
725 17th Street NW
New Executive Office Building, Room 9013
Washington, DC 20503

Dear Mr. Childs:

I am writing on behalf of the National Association of Government Communicators (NAGC). We are a non-profit, non-partisan professional organization of local, state, and federal communicators such as agency spokespersons, writers, editors, Web masters, videographers, etc. Although we have a special membership category for government contractors and we highly value those members, we are concerned about the wholesale conversion of government employees to contractors and the new rules that speed up the process and give no advantage to the incumbents. We are especially concerned about how these changes will affect government communicators and the government’s ability to effectively, efficiently, and accurately communicate with the many audiences it serves. Please consider the following:

- **Strategic Business Models.** Outsourcing is a useful tool in any corporation or government when it is used *strategically*. Contracting for large or short-term projects or for those projects calling for special skills needed only temporarily is already effectively being used in the government and additional use of these services should be encouraged.

- **Cost Savings.** Blanket outsourcing with no concern to the incumbent employee appears to be both a betrayal of trust between the government and valued employees and a potentially disastrous disregard of the skill level required to replace highly specialized staff—all in the name of cost savings. These employees, if they lose in their “bid” for their present jobs, are not being replaced because they did a poor job. They are not being replaced because their job is no longer needed. They ostensibly are being replaced at an anticipated cost savings. Those of us in government who have worked with contractors know that contracts usually do not save the government money, and that contracts often cause tremendous administrative burdens. Projections that have been given on cost savings are dubious to those who work in the government. Actual experience shows that costs continue to rise on the contracts and contract workers often have fewer benefits, especially in the health arena, than the federal workers they replace or work beside.
-Corporate Business Model. The private sector almost always finds outside communications assistance as being more costly to use than the work of an in-house corporate communications department. In addition, outside resources often do not have the knowledge or background about the organization they are hired to represent and require some form of learning curve before they can do their job adequately.

-Best Value. Current ideas about cost savings as a reason for outsourcing are changing so that the new criteria will not be the lowest bid but the “best value.” Best value, one would think, would go to a proven workforce that can document the honor and success it has brought to the agency. It is hoped that this will be the case and “best value” will not simply be determined by arbitrary decisions related to knowledge of the bidders or past experience with individuals or firms. Otherwise there is a perception that civil service will be superseded by political or personal concerns.

-Caliber of Government Employees. Most government employees are highly motivated, highly competent, high specialized, and highly principled. NAGC, in fact, requires it members to adhere to a code of ethics to be truthful in government communication. There is a great sense of commitment among federal communication employees, a commitment to not only getting the message right but also to the mission of agency and to the public. Why does the public want federal employees at the airports and not lower-paid contractors? They simply trust them more, knowing they will be screened and held accountable. Long-term government employees must remain accountable to pass their performance reviews. Contractors often come and go, especially when the contract is re-bid.

-Security Issues. Some communicators work in information technology or related jobs on the Web. The government is responsible for security of classified information and is greatly concerned about the vulnerability of its information infrastructure. Will hiring contractors instead of vetted federal employees be an improvement in government security? How will contractors be better screened? Won’t the screening process result in delays in communication functions that they are being hired to provide? Will non-citizen contractors be allowed access to government information that may be sensitive to security issues?

-Process of Outsourcing. Our federal members are being told that they will have only a year and no advantage in competing for their jobs (new rules). Those of us who work with large contractors know how much effort and expertise (often specially purchased) go into an experienced contractor’s bid. Government employees probably have no experience in writing competitive bids and will now, with the rule change, have no time to learn how to write competitive bids. They will need to rely on administrative agency personnel who may have good intentions but are untrained or unqualified for such a task. Recently reorganized agencies are still struggling with their internal reorganization (some agencies have been combined or will be combined) and will need to come up with a Most Efficient Organization without time for researching the best model. This is a particular concern in the massive organization underway to form the Department of Homeland
Security. Outside contractors without a true understanding of the work to be done may give extremely unrealistic bids that, nevertheless, result in selection of the "best value."

**Process Problems.** Terms such as "inherently governmental" and "core competencies" need better defining, especially the latter term. Ambiguous terms (e.g., "visual information") in the competitive sourcing surveys and fear of unfair or inconsistent application of the terms may cause havoc and legal challenges in some agencies. Everyone from a clerk to a scientist uses the tools of visual information to enhance communication. Many federal employees who are scientists are charged with visual information or other communication through the Web or other sources; in an information age everyone could potentially be a communicator. How will OMB ensure that the FAIR Act surveys are being applied fairly according to function, not job description? Because the FAIR Act survey lacks good job function descriptions, ambiguous terminology has been used to try to categorize communicators. Finally, myriad civilian agencies are scampering to put processes into place while the rules of outsourcing keep changing. Disruptions in agencies and plummeting morale are resulting, and this at a time when federal employees are still reeling from the real and potential threats to federal work places since 9/11.

**Irony of Outsourcing.** I have personally given talks to college graduates on how wonderful it is to serve our government and its people as a federal employee. Many of us who serve are attracted to agencies such as those related to health or the environment or education out of a desire to serve the public good. In presenting my lectures, I also add, however, that probably one of the hardest things they will ever do is successfully compete for a federal job. The competition is difficult and usually much more rigorous than in the private sector. Selecting the best candidates is often done by people not at the place of the work but people relying solely on the paperwork submitted. National competition is often the standard and veterans get additional points. The irony of competitive sourcing is that, once having run this gauntlet, federal employees must once again compete for their jobs, and, to do so every few years, just as government contractors would. How can we possibly have a stable workforce in the information arena in such a climate? Plus federal employees have passed background and security checks that many or most contractors do not have to do. Without similar security provisions, will government be exposing itself to a potential threat? Also, federal employees must be U.S. citizens. Neither contractor employees nor apparently the contractor company (if it is allowed to go offshore and not pay U.S. taxes) will be accountable to this country in the same way that federal employees are. The further irony is that many employees have brought great honor to their agencies through outstanding information products and activities.

**Communicators and E-Gov.** Just as the federal government is beginning to put into place E-Gov, it is beginning to outsource its communicators. As a recent editorial in the Federal Computer News stated, E-Gov's challenge is not a technological one but a communication one. It takes a seasoned communicator who understands the agency to package the information for the general public.
-**Effects of Outsourcing.** The communication institutional memory (especially in highly technical or scientific agencies) will be lost if government workers lose bids for their jobs. Those of us experienced with working with contractors know that of all functions, that of communication (writing, editing) is the most difficult to contract. The training, especially in the government technical and scientific fields, calls for several years of immersion in the issues and a body of knowledge in order to operate as a competent communicator, writer, and editor. Some highly specialized communications positions, such as geologic map editors, require advanced degrees in scientific fields as well as training in technical communication. Ask any newspaper or magazine editor if just any one of his reporters can cover highly technical or scientific stories. It takes years to learn issues and the technical aspects. This institutional knowledge will be lost.

-**Lost Benefits.** Employees with family members with serious pre-existing health problems may not be able to get insurance when they leave the government, even if they are rehired by the contractor. And if they are hired by the contractor, long-term government employees will lose annual and sick leave that has been accrued. Government employees who are close to retirement but lack a few years in experience or age will lose retirement benefits. Many of these employees had the opportunity to go to other jobs but stayed with the government. Replacing government workers wholesale with contractors is destroying the social contract between the government and the federal employee, causing career- and life-damaging problems. The federal government has been a leader to the Nation in providing good working conditions and benefits. The example now, which will trickle down to states and local government, is to not value their employees. The Nation that is the leader of the free world is now going to treat its own employees like those in the Third World are too often treated.

-**Solutions.** As a professional organization with loyalty not only to our jobs but also to seeing our profession flourish and be recognized for its great value to society during the information age, we suggest the following:

In many categories, but particularly in communication and information fields, we urge OMB and the agencies it directs to use contracting *strategically* and not in a wholesale blanket fashion. For example, contracting out communication-related jobs in highly technical and scientific organizations will likely cause permanent damage to the agency, and by extension, to our Nation and its people. Give agencies more power to direct their fates intelligently and strategically.

We further advise that a fair mechanism be found to protect valuable and long-term federal employees. If contracting out must be done, at least strategically maintain a cadre of employees (a) who have the institutional memory of the work; (b) who know the field and are needed to set policy and direction, which contractors cannot do; (c) who have been identified as particularly gifted in communications and its changing technology and thus as future leaders; (d) and who have more than 10 years of service or are close to retirement.
Please remember that most of us who have embarked on a government career were motivated by a high calling of service to our country. Our communication professionals deserve better than the wholesale competing out of jobs that are already being done well.

Sincerely,

Gaye S. Farris
President, National Association of Government Communicators

Enclosure: Copy of NAGC Newsletter, Government Communications, with story and editorial on competitive sourcing.

cc: U.S. Congress
NAGC’s Communications School 2003 in the French Quarter

Communicating Down Yonder in New Orleans—April 9-11, 2003

Mark your calendars to venture into the land of Dreamy Dreams—New Orleans—from April 9 to 11 for NAGC’s Communications School 2003.

While anticipating hearing top-notch speakers (we are working on getting a Pulitzer Prize winner and one of the top news correspondents in America), get ready for a stay in one of the most historical and elegant hotels in the French Quarter, the Monteleone. Among many others claims to fame, the hotel was the boyhood home of author Truman Capote. To see pictures of the hotel, go to http://www.hotelmonteleone.com/gallery.html.

Laissez Les Bons Temps Rouler (Let the Good Times Roll)

Be prepared for a conference offering a riverboat cruise and a Dixieland jazz band, and some of the top rated food in the world. We are negotiating a tour of the historic Times Picayune, whose contributors have included Mark Twain and William Faulkner.

Extras available for the adventurous include voodoo, swamp, or cemetery tours; streetcar rides; historical and literary walking tours (Faulkner, Tennessee Williams, and Sherwood Anderson all lived in the Quarter); the Aquarium of the Americas; glimpse at the mansions of St. Charles Avenue and author Anne Rice’s home; and every other entertainment imaginable, from cooking schools to casinos.

French Quarter Festival Follows Communications School

If three days of honing communication skills in this town that inspired many writers (F. Scott Fitzgerald lived here too) are not enough, stay for the weekend to partake of the 20th French Quarter Festival, beginning April 11.

see Down Yonder, page 7

NAGC Charters Arkansas Chapter

The highlight of Communications School 2002 was chartering the Arkansas chapter. David Matusik, NAGC vice-president of administration, presented the charter to the Arkansas group, headed by P.J. Spaul, who organized the new chapter.

Spaul, a public affairs officer with the U.S. Army Corps of Engineers in Little Rock, explained, “I had been coming to the national Communications School for several years and decided we needed a chapter in Arkansas. I got together some folks and we have begun.”

On hand to receive the charter with Spaul were Doug Szenher (Arkansas Department of Environmental Quality), Becky Allison (Arkansas Department of Environmental Quality), Patricia Hoefiken (Natural Resources Conservation Service), Jennifer Gordon (Arkansas Department of Emergency Management) and Kelly Robinson (Arkansas Department of Emergency Management). See picture, page five.

At the awards banquet, Hoefiken, a visual information specialist, earned a second place Blue Pencil Award for her exhibit work. The Army Corps of Engineers and Keith Stephens of the Arkansas Game and Fish Commission earned an honorable mention for a joint press kit issued as part of the Arkansas River Navigation Study.
As the government workplace changes, there is now more than ever a great need for professional support, representation, networking and retraining. And that is what NAGC can do for you.

We believe there is a reason membership in NAGC is growing and why new chapters are being formed. Not only is the workplace changing (and becoming less secure), but also the expectations of government communicators are growing. No longer just wordsmiths, communicators need technological and marketing skills. A small survey within NAGC brought out dramatically the 24/7 demands that technology and the media are placing on communicators. To be effective, communicators also need increased recognition from their peers for their work and products so that their own management appreciates them. And finally, they need relief from budget constraints, so they must spend their training money wisely.

And NAGC can meet all these needs.

Network. NAGC offers a national network of government professional writers, editors, public information officers, artists, Webmasters, marketers, photographers, illustrators, video and film producers and exhibitors. As the workplace changes or is downsized, government communicators need to network as never before. To increase the networking capability of NAGC, we will soon be starting a service of Ask-NAGC. We will devise a way for members to ask and answer each other's questions via e-mail or Web postings.

Train. The last few annual Communications Schools have had more technical sessions as the digital world is transforming the role of the government communicator. The Communications School is such a major training event that the federal Office of Personnel Management has recognized it as official training for federal employees.

Get Recognition. Get recognized by your peers and your boss for the superb products and campaigns you produce. NAGC's Distinguished Service Award honors extraordinary service to the organization. Awards of Excellence recognize government agencies or individuals for significant achievement, and Service Awards are presented for noteworthy accomplishment.

Give Recognition. Nominate a worthy Communicator of the Year.

Save Money. NAGC membership saves on fees for the Communications School and the Blue Pencil and Gold Screen competition. Members also get considerable price breaks for conferences like those of the Brookings Institution.

Find Jobs. Members are now receiving job announcements via e-mail. This service is also open to managers seeking good employees.

Be Ethical. NAGC members uphold a code of ethics that ensures that people trust us and that we must uphold that trust.

Renew Your Membership. To become a member or to renew membership online, go to www.nagc.com.

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**NAGC Editorial**

**Irony of Competitive Sourcing and Publishing**

How ironic that when the information age finally arrives, when government has gotten more open and more communicative, and when clear, crisp communication is more relevant than ever, some government communicators may have their jobs threatened (see story, pages 1 and 3). No one is against contractors. In fact, NAGC has affiliate membership for contractors and knows they can be an important part of the workforce. It is the specter of having loyal, long-term government communicators compete (again) for their jobs that is disheartening.

Some government communicators have passed up opportunities in the private sector because they thought their government jobs were secure. Others have given up certain investments to be eligible to work for the government. Federal employees have endured extensive background and security checks. Some have medical conditions or family members with medical conditions that are preexisting and may not be covered under future employment. Many are long-serving employees who have brought honor to their agencies with outstanding publishing and communication work. All are patriotic and proud to serve their country; often they have taken jobs with agencies whose missions are important to them: the environment, education and health.

Government communicators in the federal sector need to study the issues carefully because all federal agencies are affected. Communicators in state and local governments need to be aware of the precedent that is being set on the federal level. NAGC is investigating having a panel on outsourcing at its annual Communications School and will continue to run articles on this critical issue. Communicators, start communicating about this.

(NAGC comments do not necessarily reflect the opinion of any individual member.)
1. Could you provide some general background on how USGS is dealing with competitive sourcing?

Competitive sourcing is a process by which commercial activities that are currently performed by Federal government agencies are evaluated, re-engineered for efficiency and offered to the private sector for bidding on a competitive basis in order to ensure that customers, stakeholders, and citizens are provided services at the best possible value.

The President's Management Agenda, issued in August 2001, includes five elements designed to provide better service to the American public by improving how government works (http://www.whitehouse.gov/omb/mbm/gpra/index.html). The competitive sourcing element builds on the Federal Activities Inventory Reform (FAIR) Act that requires Federal agencies to inventory commercial activities each year and review them for efficiency. To ensure that the President's competitive sourcing management initiative is carried out, the Office of Management and Budget (OMB) is requiring all Federal agencies to study five percent of their commercial functions by the end of fiscal year 2002 and an additional 10 percent by the end of fiscal year 2003.

Internet sites with information on competitive sourcing include the following:

- Office of Management and Budget: http://www.whitehouse.gov/omb/
- Government Executive magazine: http://www.govexec.com/outsource/

2. Who (agency and individuals) are being affected first, second, etc.?

All Federal agencies are affected by the President's Management Agenda, the FAIR Act and OMB's mandated competitive sourcing requirements. Each agency, individually, determines which functions in its commercial inventory will be selected for competitive sourcing based on its own criteria, which may include any number of factors such as geographic location or availability of commercial providers to bid on the work.

At the USGS, the functions selected for study during the first cycle (2002-2003) are:

- Building and Grounds Maintenance (39 Full Time Equivalent)
- Warehousing (38 FTE)
- Printing (28 FTE)
- Visual Information (221 FTE)

The decision to compete these functions among all functions identified as commercial on our FAIR inventory was made because they are readily available in the private sector, relatively easy to accurately and clearly describe in terms of outcomes and performance, and have manageable impact on the conduct of our science mission.

3. What are both the agency and personal ramifications of this policy change?

The USGS executive leadership recognizes that there will be wide-ranging impacts, no matter the eventual outcome, impacting not only the effectiveness of the organization under study but also the careers and personal lives of affected employees and their colleagues. While we are required to carry out the mandates of this Administration, we will do so in a responsible manner and provide USGS employees and managers every possible resource available, including training and education, professional assistance in developing bids, and personnel services, to enable employees to compete as effectively as possible.

The overall philosophy behind the Administration's competitive sourcing strategy is that commercial functions that undergo competitive sourcing will be even more cost-effective and productive, whether they are performed by a re-engineered, in-house function or by private contractors. Competitive sourcing of commercial functions will help agencies determine how to make limited dollars go further to provide good quality services and value to their customers.

4. For example, how will competitive outsourcing change the way the agency does business?

The functions that are competitively sourced will remain vital to the agency. Competitive sourcing is not outsourcing or privatization, but simply a method for determining the most cost-effective way to perform the work for the agency and the taxpayers.

5. How will the policy affect the role, status, position or involvement of current agency employees?

The effects of competitive sourcing on Federal employees in the functions being studied depend on many, many factors. Employees affected by competitive sourcing retain all the rights and protections afforded them under the law, including, if necessary, placement rights, placement considerations for vacant positions, career transition assistance, outplacement assistance and/or grade/pay retention. However, the primary focus of competitive sourcing is not about reducing FTE. It is about cost-effective performance.

6. Will employees have to bid for jobs or job assignments?

If the work will be done by a private contractor, displaced employees have the "Right of First Refusal" for vacant positions that they are qualified to perform. If the re-engineered in-house function will perform the work with new positions, a reduced workforce, and/or positions with a reduced grade structure, the agency will conduct a reduction-in-force to determine who is eligible for the new positions. Affected employees retain all the rights and protections afforded them by law.

7. Will they be downsized? If not, will there be any changes in salary structures?

There is no way to know the outcome of competitive sourcing studies at this time. Also, see above.

8. Are there any other forces at work on this issue, such as Congress, unions, interagency agreements, etc.?

Congress passed the FAIR Act in 1998 requiring Federal agencies to inventory their commercial activities annually. Affected labor unions are notified by agencies prior to announcement of their competitive sourcing plans. The Department of the Interior also notified those Congressional offices whose constituents are affected by the agency's competitive sourcing plans.

9. Have you heard from any other professional organizations or know what they are doing about this?

We have no information about what professional organizations are doing. Any interested party can comment on agencies' commercial inventories within 30 days of when they are published by OMB in the Federal Register. The inventories for fiscal year 2002 are expected to be published in the October-November timeframe, but we do not know the exact date.